



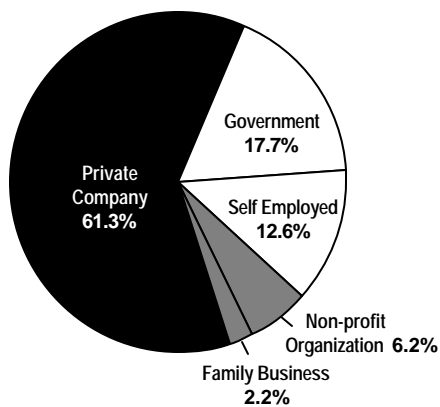
## Upholding a Commitment to Economic Vitality

*"We have been blessed with a strong economy and creative entrepreneurs who've broken all records for new job creation."*

— Governor Gary Locke  
January 12, 1999, State of the State Address

### Washington's Job Distribution

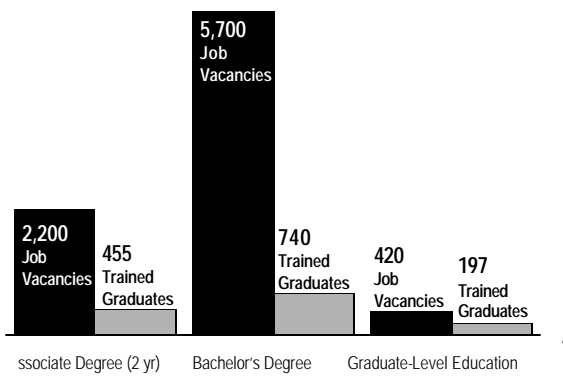
Sector of Main Job Held



OFFICE OF FINANCIAL MANAGEMENT DECEMBER 1999

### More Trained Graduates\* Needed for Washington's Software Industry Jobs

\*Trained Graduates refers to graduates from In-State Higher Education Institutes (Public and Private) only.



SOURCE: Washington Software Alliance, 1999

**A**S PART OF HIS continuing commitment to economic vitality, the Governor seeks "One Washington" with a more diversified, sustainable economy that is less vulnerable to cyclical, economic downturns — "One Washington" where all the citizens share the benefits of the state's economic prosperity.

### Our Work Has Just Begun

We need to provide opportunities and assistance to citizens of rural communities and those who lack the skills to participate in a technology and information driven economy.

Washington's growing industries, and the jobs those industries create, should be paralleled by expanding educational systems that produce qualified employees. For our state to remain vibrant during economic fluctuations, we need to make sure our workers are properly trained and educated to meet the demand for a skilled workforce.

The technology sector has become a major source of employment for our citizens. According to the Washington Software Alliance, the software industry accounts for 1 of 4.5 jobs in the state. Those jobs carry an average wage of \$66,752 per year, the highest in the nation. It is critical that the state act now to ensure that Washington's workers have the skills to compete in the new economy.

## A Strong Economy, Better Jobs

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Ultimately, a strong economy is about jobs -- good family-wage jobs. The state can help foster good jobs by forging and following an economic development strategy that links workers with jobs; jobs with healthy communities, and communities with modern telecommunications systems. The Governor's strategy includes:

- **Closing the Skills Gap to Quickly Train Workers:** Meeting the demand for skilled workers is a critical component of the Governor's strategy. The Work Force Training and Education Coordinating Board will provide up to 12 grants to local workforce councils that identify groups of industries in their regions that have common skilled workforce needs. The councils will build partnerships between businesses and education institutions that meet the training needs of local industries. Proposed funding: \$1.2 million GF-S.
- **Providing A Business-and-Occupation Tax Credit for Re-training Existing Workers:** To survive in the new economy, many businesses must continually train existing workers to perform new and evolving tasks. Businesses that enter into contracts with community colleges or private schools for worker training can credit 50 percent of the cost against their Business and Occupation Tax. Businesses must apply to local workforce councils for the credit, which will be certified by the Department of Revenue. Proposed funding: \$1 million GF-S.

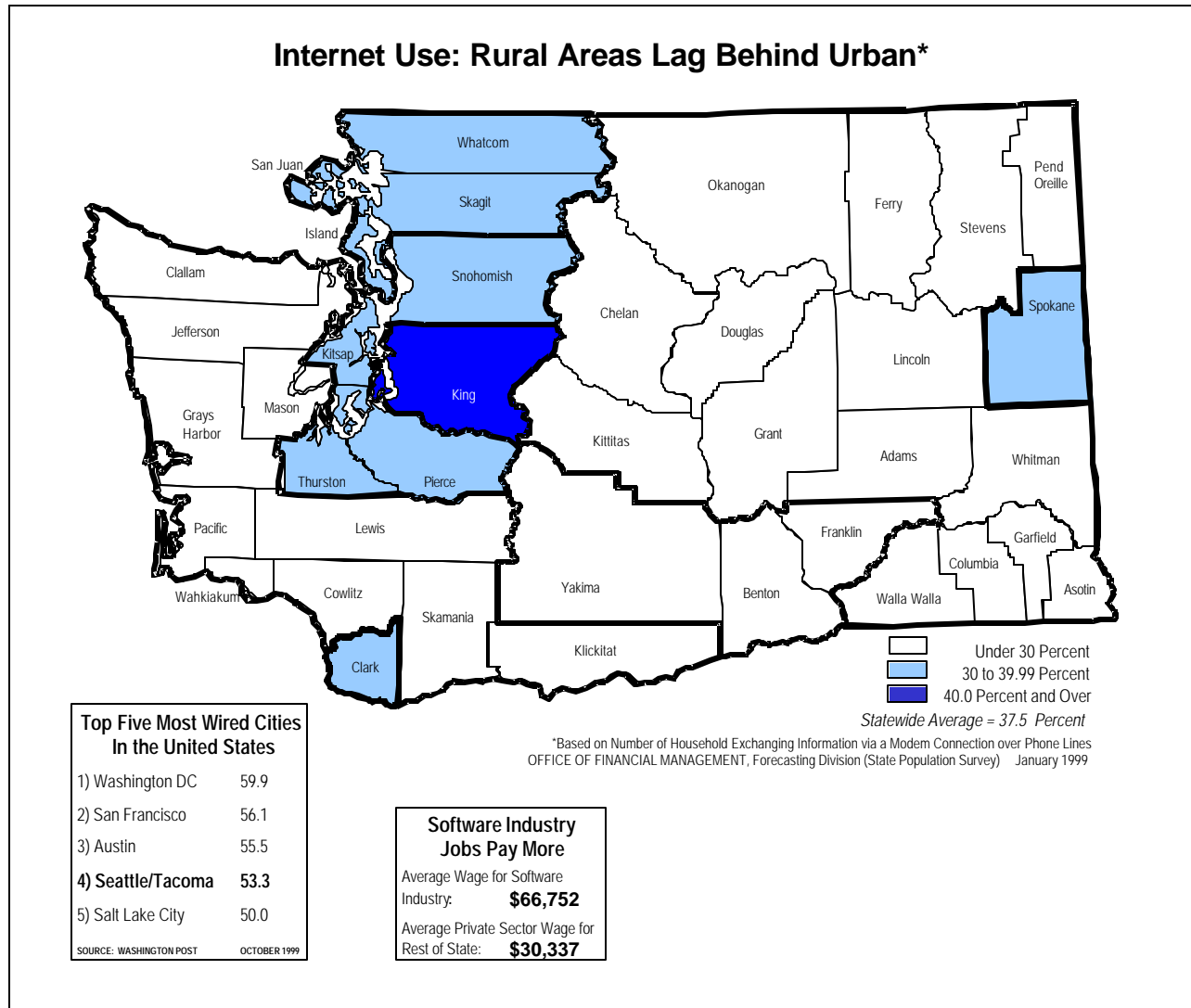
## Our Commitment to Economic Development

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To assist in economic development, the Governor offers an array of proposals that range from providing better access to affordable telecommunications services to creating better government systems to carry out economic vitality initiatives. He proposes:

- **Showcasing Washington as a State of Opportunity:** The state can play a central role in putting together public-private partnerships in economic development. The Governor proposes to nurture this process by co-sponsoring the World Congress of the Industrial Development Research Council (IDRC). This conference, which will be held during May 2001, will bring to Seattle corporate executives who manage corporate real estate and facilities worldwide, and are responsible for making siting decisions for Fortune 1,000 companies. Sponsoring this conference will give Washington an opportunity to showcase the state as a great place to live, work, and raise a family. Proposed funding: \$100,000 GF-S.
- **Narrowing the Digital Divide:** Telecommunications infrastructure and services can open doors to rural communities taking advantage of the new economy. A Universal Service initiative is needed to provide rural Washington citizens affordable basic telephone services that the rest of us take for granted. More advanced telecommunications services require investments in infrastructure that private companies are reluctant to make, given the low density of population in rural areas. The Governor proposes granting public utility districts and port districts in rural counties authority to fill much of the gap left by a lack of private investment. He also seeks to streamline local government oversight of siting and construction of telecommunications facilities to avoid undue delay and

expense in getting telecommunications services to consumers. A modest investment will also expand the K-20 educational network to public library districts, providing all Washington citizens a point of access to information and services provided over the Internet. Proposed funding: \$2.2 million GF-S.



- Promoting the VentureStar Project:** Lockheed Martin's VentureStar project is designed to be a reusable space vehicle for launching satellites into orbit, supporting the development of the International Space Station, and conducting government and scientific research. Moses Lake is one of several sites Lockheed Martin is considering for two potential spaceport launch and landing sites. VentureStar would create 2,000 to 3,000 construction jobs and 1,000 to 1,500 jobs for the operation of the spaceport. State funding will support the public-private partnership preparing Washington's spaceport proposal. Proposed funding: \$250,000 GF-S.

- **Continuing the Washington Community Economic Revitalization Team:** The Washington Community Economic Revitalization Team is a successful partnership that enables us to efficiently coordinate state, local, and federal resources to maximize the impact of our investment in local infrastructure and economic development projects. The Governor proposes to continue this work that helps rural communities. Proposed funding: \$300,000 GF-S.
- **Splitting up the Department of Community, Trade, and Economic Development:** Currently, this agency administers a broad set of goals and programs that address both community and economic development issues. Splitting the agency will allow each resulting agency to improve its responsiveness to the needs of all of Washington's communities. With the split, each agency can clarify and focus its mission. The new Department of Community Development will focus on creating stronger communities and the new Department of Trade and Economic Development will focus on creating a strong economy and promoting trade. Proposed funding: \$1.3 million GF-S.